Internal Revenue Service

memorandum

CC:SF:TL:KGC

date: MAY 05 2000

to: Assistant Chief Counsel (Field Service)

from: District Counsel, Northern California District CC:WR:NCA

ubject: Post-Advice Review
[redacted] TL-N-6092-99

The following is advice that was recently provided to the audit team for the above taxpayer.

Issue

Who is the agent for the consolidated group for purposes of issuance of the notice of deficiency for years where the common parent for the year covered in the notice is no longer the common parent?

Facts

Exam is auditing the [redacted] consolidated return of [redacted] and its affiliated group. [redacted] was the common parent for the group until [redacted] when, following a reorganization, [redacted] became the common parent. [redacted] is still in existence and is currently a second tier subsidiary of [redacted]

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Discussion and Conclusion

Where the common parent remains in existence, even if it is no longer the common parent, it remains the agent for the group with regard to years in which it was the common parent of the group. Treas. Reg. §§ 1.1502-77(a); 1.1502-77T(a)(4)(i). Here, because [redacted] was the common parent for the consolidated group during [redacted] and is still in existence, the notice of deficiency for [redacted] should be issued to [redacted].

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cc: Assistant Regional Counsel (TL)